Dumping of junk steel in the country

71. SHRI P. PRABHAKAR REDDY: Will the Minister of STEEL be pleased to state:

(a) whether his attention has been drawn to the news-item appearing in the Hindustan Times, dated 9th November, 1999 under the caption 'India fast turning into dumping ground for junk steel, tin plates';

(b) if so, Government's reaction thereto;

(c) whether it is a fact that reduction in floor price of import of steel goods has given a fillip to the import of these junk items; and

(d) if so, the steps proposed to rectify the situation which is leading to depression in prices in the domestic industry?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) to (d) Yes, Sir. The Government is seized of the matter and is concerned about the increase in import of seconds and defective steel items into the country. In order to restrict their imports the Government has notified minimum import prices for certain steel items including seconds and defectives in December, 1998 on the basis of average export pricces of these items from non-dumping sources. The floor prices have been revised on the basis of current trend of international steel prices from non dumping sources with effect from 1.11.99.

Downgrading of short term deposit programme of SAIL

72. SHRI SANTOSH BAGRODIA: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that Crisil downgraded short term deposit programme of Steel Authority of India Limited (SAIL) from PI (very strong) to P3+(adequate safety with the relatively higher standing within the category) rating; and

(b) the steps Government are planning to maintain the rating at PI level?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) Yes, Sir.

(b) Government has been in constant dialogue with SAIL and has been periodically reviewing their performance with a view to increasing their

competitiveness and efficiency. Accordingly, to improve the financial performance and profitability of SAIL, the Company has drawn up a comprehensive financial and business restructuring plan. The measures outlined in the plan include, inter-alia;

(i) A reduction in operational costs by reducing input costs, reducing consumption of raw materials and other inputs and by increasing operating efficiencies;

(ii) Improvement in techno-economic parameters such as fuel and power consumption;

(iii) Increased recovery for services/facilities;

(iv) Right sizing manpower through a Voluntary Retirement Scheme (VRS);

(v) Assets restructuring;

(vi) Disposal of idle assets; and

(vii) Financial restructuring.

Rise in import of seconds and defective steel items

73. SHRI GURUDAS DAS GUPTA:
SHRI J. CHITHARANJAN:

Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that there has been alarming rise in the import of seconds and defective steel items and tin plates into the country which are banned for sale in the Western countries;

(b) whether Government's decision to reduce the floor price for the import of these items has further aggravated the situation; and

(c) if so, the details thereof and Government's reaction thereto?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) to (c) There has been increase in the import of seconds and defectives steel items and tin plates in the past two-three years. As per available information, sale of these items in some European countries is not banned, however their use in packaging of food items is prohibited. In order to restrict